

92-93
 University of California
 Parity 1994-95
 % Salary Increase
 1996-97 %
 1997-98 %

The
 California State
 University
 Parity Figure 95-96
 % 1996-97 %
 1997-98 %

FACULTY SALARIES AT CALIFORNIA'S PUBLIC UNIVERSITIES, 1997-98



CALIFORNIA
 POSTSECONDARY
 EDUCATION
 COMMISSION

APRIL 1997

COMMISSION REPORT 97-2

SUMMARY

The California Postsecondary Education Commission submits an annual report to the Governor and Legislature on the salaries of faculty at the California State University and the University of California. This analysis is done in accordance with the requirements of Senate Concurrent Resolution No. 51 of the 1965 General legislative Session.

This report compares the current-year faculty salaries at California's two public university systems with projected salaries for the coming year at their respective comparison institutions which are largely drawn from other parts of the country. The result of this analysis is the calculation of a parity percentage for the public university faculty. This parity percentage is an estimate of the average salary increase that faculty in each system would have to receive in the coming year in order to keep pace with salaries paid at the comparison institutions.

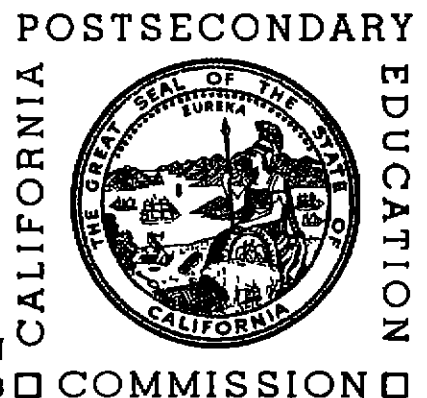
For 1997-98, the estimated faculty salary parity figures are 10.8 percent at the California State University and 6.7 percent at the University of California. Also included is an explanation of the methodology used to calculate these parity figures.

The Commission adopted this report at its meeting on April 7, 1997 on recommendation of its Fiscal Policy and Analysis Committee. For additional information, contact Christopher Carter, senior policy analyst at (916) 322-8013 or by E-mail at ccarter@cpec.ca.gov. To order copies of this report, write the Commission at 1303 J Street, Suite 500, Sacramento, CA 95814-2838, or telephone (916) 445-7933.

FACULTY SALARIES AT CALIFORNIA'S PUBLIC UNIVERSITIES, 1997-98

*A Report to the Legislature
and the Governor in Response
to Senate Concurrent Resolution No. 51 (1965)*

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
1303 J Street ♦ Suite 500 ♦ Sacramento, California 95814-2938





COMMISSION REPORT 97-2
PUBLISHED APRIL 1997

Contributing Staff Christopher Carter

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1

Summary and Conclusions

THIS ANNUAL faculty salary report from the California Postsecondary Education Commission contains faculty salary information intended to assist the State's policy makers as they consider funding faculty salary increases for the California State University and the University of California for 1997-98. The faculty salary parity figures, the centerpieces of this annual report, are the Commission's best estimates of the lag between the current year average salaries of faculty at the State University and University and the projected salaries for the coming year at their comparative set of institutions nationally. Those percentages also represent the amount that California faculty salaries would need to increase to achieve parity with their respective set of comparators.

In addition to the parity figures, this 1997-98 report includes an explanation of the methodology used to calculate the parity figure. Additionally, this report contains an analysis of faculty salary data from the California State University, the University of California, and their respective comparison institutions that were used to derive the 1997-98 faculty salary parity figures.

The California State University

The Commission's analysis of the information supplied by the comparison institutions of the California State University indicates a 1997-98 academic year parity lag for the State University of 10.8 percent, which has risen from 9.6 percent a year ago. This increase is attributable, in part, to increases in comparison institutions' faculty salaries in the past year that have outpaced increases at the State University. This projection is based on the consideration of current-year payroll information from all 20 of the State University's comparison institutions.

University of California

The Commission's analysis of information from the comparison institutions of the University of California indicates a projected lag for University faculty in 1997-98 of 6.7 percent, a decrease from 10.3 percent a year ago. This parity figure, similar to that of 1993-94, represents an improvement in the University's average faculty salary relative to that of the comparison institutions. It reflects the University's progress toward meeting its goal of closing the gap between its average faculty salary and that of its comparison institutions. This projection is based on the consideration of current-year payroll information of all eight of the University's comparison institutions.

Methodology

This is the second year in which the Commission is using a modified methodology for calculating faculty salary parity figures. The methodology was adopted pursu-

ant to a series of compromises among participants on the Commission's Faculty Salary Advisory Committee. Explained in detail in Chapter Two, this methodology is the first in which the Commission has accounted for differences in cost-of-living among the State University's comparison institutions and for the disproportionate impact of larger public comparison institutions on the University's parity figure.

These Commission's parity figures are, unfortunately, frequently misinterpreted as estimates of the actual lags between the State University or the University salaries and those at the comparison institutions. Rather, these figures are estimates of the anticipated lag for the following year that assume projected salary increases at the comparison institutions and no adjustments at the California institutions. The prospect of faculty salary increases for 1997-98, as proposed in the Governor's Budget, at both the State University and the University mean that these parity figures will likely never reflect actual gaps in salaries between the State University or University and their comparison institutions.

2

The Commission's Faculty Salary Methodology

ANNUALLY, in accordance with Senate Concurrent Resolution No. 51 of the 1965 General Legislative Session (reproduced in Appendix C on page 25), the California State University and the University of California submit to the Commission information on faculty salaries for their respective systems and for a set of comparison colleges and universities nationally. On the basis of this information, Commission staff develops estimates of the percentage change in faculty salaries required to attain parity with the respective comparison groups in the forthcoming fiscal year. Current procedures dictate that preliminary parity figures for both systems be reported to the Department of Finance and the Office of the Legislative Analyst during the first week of December of each year. A detailed report follows the next Spring.

This section of the report shows the trends in the faculty salary parity figures in recent years. It also explains the methodology used to calculate the parity figure

Trends in faculty salary and parity figures

The faculty salary methodology, including the lists of comparison institutions, the procedures by which the systems collect data, and the techniques used to analyze those data, has been designed and refined periodically by the Commission -- and the Coordinating Council before it -- in consultation with the Commission's Faculty Salary Advisory Committee. The Committee includes representatives from the California State University, the University of California, the Department of Finance, the Office of the Legislative Analyst, and other interested parties. As a result, the faculty salary methodology is reflective, at least in part, of compromises among interested parties rather than the vision of any single individual or agency. Appendix A on pages 17-21 traces the history of those refinements, the last set of which were implemented a year ago.

Display 1 on page 4 shows the parity figures that the Commission has derived for the State University and University since 1979-80 and compares them to the salary increases actually granted. This display shows that, as California emerged from the recession of the early 1980s, faculty salaries at both the State University and University lagged significantly behind those at their comparison institutions. By the latter part of the decade, revenues derived from a strong State economy, the fiscal priorities of the systems, and decisions by the State's policy makers allowed for faculty salary increases to match the parity figures.

**DISPLAY 1 Comparisons of Faculty Salary Parity Figures
Calculated by the California Postsecondary Education
Commission with Actual Percentage Increases Provided,
1979-80 Through 1997-98**

| <u>Year</u> | <u>The California State University</u> | | <u>University of California</u> | |
|-------------|--|------------------------|---------------------------------|------------------------|
| | <u>Parity Figure</u> | <u>Salary Increase</u> | <u>Parity Figure</u> | <u>Salary Increase</u> |
| 1979-80 | 0 1% | 0 1% | 0 1% | 0 1% |
| 1980-81 | 0 8 | 9 8 | 5 0 | 9 8 |
| 1981-82 | 0 5 | 6 0 | 5 8 | 6 0 |
| 1982-83 | 2 3 | 0 0 | 9 8 | 0 0 |
| 1983-84 | 9 2 | 6 0 | 18 5 | 7 0 |
| 1984-85 | 7 6 | 10 0 | 10 6 | 9 0 |
| 1985-86 | N/A | 10 5 | 6 5 | 9 5 |
| 1986-87 | 6 9 | 6 8 | 1 4 | 5 0 |
| 1987-88 | 6 9 | 6 9 | 2 0 | 5 6 |
| 1988-89 | 4 7 | 4 7 | 3 0 | 3 0 |
| 1989-90 | 4 8 | 4 8 | 4 7 | 4 7 |
| 1990-91 | 4 9 | 4 9 | 4 8 | 4 8 |
| 1991-92 | 4 1 | 0 0 | 3 5 | 0 0 |
| 1992-93 | 6 0 | 0 0 | 6 7 | 0 0 |
| 1993-94 | 8 5 | 3 0 | 6 5 | 0 0 |
| 1994-95 | 6 8 | 0 0 | 12 6 | 3 0 |
| 1995-96 | 12 7 | 2 5 | 10 4 | 3 0 |
| 1996-97 | 9 6 | 4 0 | 10 3 | 5 0 |
| 1997-98 | 10 8 | N/A | 6 7 | N/A |

Source: California Postsecondary Education Commission

California's economic troubles of the 1990s, however, drove the parity figures up again. Over the past several years, the Commission has calculated parity figures that are the highest in the history of this report series for both the State University and University. The combined forces of economic recession and increasing budgetary pressure from other State programs, such as health and welfare, corrections, and K-12 education, resulted in declining levels of support for the State University and the University. These forces contributed to three years -- beginning in 1991-92 -- in which faculty at both the State University and University received no salary increase. As this occurred, the faculty salary parity figure grew. Faculty salary increases over the past several years, however, have assisted in reducing the faculty salary parity figures, although this is only the second time that the Commission has ever calculated a double-digit figure for the State University.

In recent years, a number of readers of the Commission's faculty salary reports have misinterpreted the meaning of the parity figures. While the parity figures

represent the gap between current-year faculty salaries at California institutions and projected salaries at the comparison institutions for the coming year, some have portrayed the parity figures as if they reflect the actual lag between salaries at the California institutions and those at their comparison institutions. It is important to remember that the parity figures are not a measure of any actual gaps between the State University or the University and comparison institutions' faculty salaries. They are a projection of the extent of the gap if the California institutions held salaries constant in the following year.

**The methodology
for calculating a
faculty salary
parity figure**

While the faculty salary methodology is adopted by the Commission, it is developed in consultation with the Faculty Salary Advisory Committee. The Committee has met periodically over the years to review and recommend changes to the methodology. The Committee last met in Fall, 1995 to consider several recom-

mendations by the Legislative Analyst that led to a series of changes adopted by the Commission at its June, 1996 meeting. The methodology used in this report is the same one used in the faculty salary report of last year.

The development of the faculty salary methodology has historically required that two broad issues be addressed: (1) the specific institutions that should comprise the set of comparators and the nature of the faculty salary information that should be gathered from them as well as the State University and University, and, (2) the calculation of a parity figure based upon information supplied by the California State University, the University of California, and their respective comparison institutions.

*Set of comparison
institutions
for the State
University and
University*

Historically, the development of a set of comparison institutions has been driven by several factors:

- ♦ institutions that have missions similar to those of the State University or the University,
- ♦ institutions of sizes similar to the range of State University or University campuses,
- ♦ institutions that compete with the State University or University for faculty, and,
- ♦ institutions willing to share faculty salary information.

The list of faculty salary comparison institutions is shown in Display 2 on page 6. This list of comparison institutions has not changed since 1993-94. Pursuant to questions raised by the Legislative Analyst, the Faculty Salary Advisory Committee considered at its most recent meeting making changes to the State University's list of comparison institutions. However, in recognition of the time required to establish collaborative relationships with staff at comparison institutions for the purpose of obtaining the requisite information, the Committee members recommended that consideration of any changes be deferred. However, the Legislative Analyst stated her intention to address the issue for the 1999-2000 analysis of faculty salaries. The Postsecondary Education Commission staff accepted these recommendations and agreed to defer consideration of this issue. However, staff acknowledged that implementation of any changes in the list of comparison institutions will require Commission action well in advance of the 1999-2000 analysis.

Historically, faculty salary information has been gathered for faculty by academic rank. Thus, information is available for salaries not just of the faculty as a whole, but also separately for each rank of faculty. In addition, faculty in law and the health sciences have traditionally been excluded from the calculation. Since many institutions do not have law or health sciences programs and faculty in these disciplines tend to have higher salaries than faculty in other disciplines, they are not included in the calculations.

DISPLAY 2 Faculty Salary Comparison Institutions of the California State University and the University of California, 1997-98

The California State University

Northeast Region

Bucknell University*
Rutgers, the State University of
New Jersey, Newark
State University of New York at
Albany
Tufts University*
University of Connecticut

Southern Region

Georgia State University
George Mason University
North Carolina State University
University of Maryland,
Baltimore County

North Central Region

Cleveland State University
Illinois State University
Loyola University, Chicago*
Wayne State University
University of Wisconsin,
Milwaukee

Western Region

Arizona State University
Reed College*
University of Colorado, Denver
University of Nevada, Reno
University of Southern California*
University of Texas, Arlington

University of California

Harvard University*
Massachusetts Institute
of Technology*
Stanford University*
State University of New York
at Buffalo
University of Illinois, Urbana
University of Michigan, Ann
Arbor
University of Virginia,
Charlottesville
Yale University*

* Independent Institution.

Source: California Postsecondary Education Commission.

**Calculation
of the parity figure**

Once salary information for the California State University, the University of California, and the comparison institutions has been gathered, the process of calculating a parity figure has centered on three steps: (1) Calculating an average faculty salary for the comparison institutions, (2) Projecting faculty salaries at the comparison institutions for the coming year, and, (3) Calculating a parity figure. The methodology for each of these calculations has generated discussions among advisory committee members.

1. Calculating an average faculty salary figure for the set of comparison institutions. Discussions have centered on the method for weighting salaries at comparison institutions. From 1993-94 to 1995-96, average salaries at the comparison institutions for both the State University and the University were weighted based upon the number of faculty at each institution. Thus, those comparison institutions with larger faculties had a stronger influence on the average salary figure. The current methodologies for both the State University and University depart from this practice.

State University For the first time, beginning in 1996-97, the average salary for the set of comparison institutions for the State University took into account the cost-of-living in the areas where the State University campuses and comparison institutions are located. Based on geographic salary differential data, 54 percent of the faculty at the comparison institutions reside in low-cost areas, while only 42

percent of State University faculty live in such areas (see Appendix B on page 23 for the methodology from which these proportions are derived) Thus, in calculating the average faculty salary by rank for the comparison institutions, the institutions in low-cost areas have been weighted to account for only 42 percent of the total, while those in the high-cost areas have been weighted to account for 58 percent of the totals

University of California The current methodology for the University of California also departs from recent practice The University's public comparison institutions are substantially larger than its independent comparison institutions In recognition that the University competes with both public and independent institutions, the current methodology gives public and independent institutions equal weight in calculating the average faculty salary of the University's comparators Specifically, the average faculty salary of the University's comparators is the unweighted average of the following (1) the average of the salaries at public comparison institutions, weighed by faculty size and rank, and, (2) the average salaries at independent comparison institutions, weighted by faculty size and rank

2 **Projecting faculty salaries at the comparison institutions for the coming year.** The methodology for projecting faculty salaries at the set of comparison institutions has not changed for many years For both the State University and University, it is based on the compound rate of increase for the prior five years. Applying that rate of increase to current-year salaries (as calculated in Step 1 above) has yielded projected salaries at the comparison institutions

3) **Calculating a parity figure.** Discussion has historically centered on the method by which to weight differential staffing patterns (professor, associate professor, etc) when calculating the parity figure At one time, parity figures were calculated by weighting salaries for both the State University or University and the comparison institutions by the staffing patterns of the State University or the University of California. Subsequently, the calculation was made by weighting all salaries such that it represented 50 percent of the State University or the University's staffing pattern and 50 percent of the comparison institutions' staffing pattern

The current methodology, adopted in 1996, is a compromise between the prior methodology and the suggestion by the Legislative Analyst that salaries at the California and comparison institutions be weighted by their own staffing patterns Currently, average salaries for both the State University and the University and the comparison institutions are weighted 75 percent by their own staffing pattern and 25 percent by the staffing pattern of the other This is an especially significant issue for the State University since its staffing pattern differs dramatically from the staffing pattern of its comparison institutions For example, while 63 percent of the State University's faculty are full professors, 39 percent of the comparison institutions' faculty are at the same level.

3

Faculty Salary Parity Figures for the California State University and the University of California in the 1997-98 Academic Year

THIS CHAPTER presents the Commission's analysis of faculty salary information for both the California systems and their respective sets of comparison institutions. The analysis was completed using the methodology described in Chapter 2. As has been the case in prior years, the average salaries paid to all faculty were converted to nine-month salary figures.

After several years in which the State University's and University's parity figures have been relatively close, this year's parity figures are quite different. For the State University, the lag has increased to 10.8 percent for 1997-98; last year, the figure was 9.6 percent. For the University, the lag has declined to 6.7 percent, whereas, the figure was 10.3 percent last year.

The California State University

Display 3 on page 10 shows a summary of the calculation of the salary lag between current year State University faculty salaries and the mean salary expected to be paid in 1997-98 at its set of comparison institutions. It indicates that State University faculty would require a 10.8 percent salary increase for 1997-98 in order to keep pace with the average faculty salary anticipated at the comparison institutions. This represents an increase from the parity figure of 9.6 percent calculated a year ago.

This increase in the lag is particularly noteworthy because the State University's faculty received the largest unweighted increase in average salaries in several years. This increase of 3.4 percent in the unweighted average faculty salary for 1996-97 represents the second consecutive year in which this average has increased -- the first time that this has happened since 1991-92. In three of the past five years, the unweighted average salary has actually declined, due in part to the retirement of senior faculty -- who generally earn more -- occasioned by the State University's three early retirement programs initiated since 1991-92. In contrast, the increase in the unweighted average salary of the faculty at the comparison institutions over the same period has been 16.7 percent, with steady annual increases over the past five years ranging from 2.6 to 4.8 percent. Growth in average faculty salaries at the comparison institutions has out-paced growth in average faculty salaries at the

DISPLAY 3 *California State University Comparison Group Average Salaries, 1991-92 and 1996-97; Compound Rates of Increase, Projected Comparison Group Average Salaries, 1997-98; and Projected Percentage CSU Faculty Salary Percentage Increase Required to Attain Parity with the Comparison Group in 1997-98*

| <u>Academic Rank</u> | <u>Comparison Group Average Salaries, 1991-92*</u> | <u>Comparison Group Average Salaries, 1996-97*</u> | <u>Compound Rate of Increase</u> | <u>Comparison Group Projected Salaries, 1997-98</u> |
|----------------------|--|--|--------------------------------------|---|
| Professor | \$65,059 | \$76,677 | 3 3% | \$79,239 |
| Associate Professor | \$47,996 | \$55,737 | 3 0% | \$57,429 |
| Assistant Professor | \$40,324 | \$45,988 | 2 7% | \$47,213 |
| Instructor | \$32,065 | \$35,732 | 2 2% | \$36,514 |

| <u>Academic Rank</u> | <u>California State University Actual Average Salaries, 1996-97</u> | <u>Comparison Group Average Salaries</u> | | <u>Percentage Increase Required in California State University Average Salaries to Equal the Comparison Institution Average</u> | |
|--|---|--|---------------------------|---|---------------------------|
| | | <u>Actual, 1996-97</u> | <u>Projected, 1997-98</u> | <u>Actual, 1996-97</u> | <u>Projected, 1997-98</u> |
| Professor | \$65,781 | \$76,677 | \$79,239 | 16 6% | 20 5% |
| Associate Professor | \$53,484 | \$55,737 | \$57,429 | 4 2% | 7 4% |
| Assistant Professor | \$43,155 | \$45,988 | \$47,213 | 6 6% | 9 4% |
| Instructor | \$33,912 | \$35,732 | \$36,514 | 5 4% | 7 7% |
| Weighted by State University Staffing | \$59,317 | \$67,128 | \$69,282 | 13 2% | 16 8% |
| Weighted by Comparison Institution Staffing | \$55,441 | \$61,199 | \$63,101 | 10 4% | 13 8% |
| All Ranks Average and Net Percent Amount** | \$58,348 | \$62,681 | \$64,646 | 7 4% | 10 8% |

Institutional Current-Year Staffing Pattern (Headcount Faculty)

| | <u>Professor</u> | <u>Associate Professor</u> | <u>Assistant Professor</u> | <u>Instructor</u> | <u>Total</u> |
|--|------------------|----------------------------|----------------------------|-------------------|--------------|
| The California State University Percent | 6,711 63% | 2,043 19% | 1,656 16% | 185 2% | 10,595 |
| Comparison Institutions Percent | 4,863 39% | 4,421 36% | 2,777 22% | 349 3% | 12,410 |

*Weighted 58% high-cost institutions, 42% low-cost institutions.

**All-Ranks Average derived by weighting the California State University and Comparison Institutions by their own staffing pattern and 25% of the other's staffing pattern.

State University, such that the State University's faculty salary parity figure has grown from 6 0 percent in 1992-93 to 10 8 percent in 1997-98

An examination of salaries by rank in Display 4 on page 12 yields further information on the nature of the gap between faculty salaries at the State University and those at its comparison institutions. For example, among all 21 institutions (the

State University plus its 20 comparison institutions), the rank on the salary scale for the State University's full professors has dropped from 13th in 1991-92 to 17th in 1996-97. Associate professors' average salaries at the State University have slid from eighth to 13th rank over the same period, while assistant professors' average salary rank slid from eighth to 16th. However, while full, associate, and assistant professor salaries rank no higher than 13th, the State University's overall weighted average salary ranks 11th. This is due largely to the fact that the State University has a far higher percentage of its faculty at the professor level -- the highest paying level -- than any of its 20 comparison institutions. The State University has 63 percent of its faculty at the professor rank, while the 20 comparison institutions collectively have 39 percent of their faculty at the professor level. These percentages have been relatively consistent over the past five years.

Display 5 on page 13 shows the State University faculty salary schedules effective at the beginning of the 1996-97 academic year. It should be noted, however, that the separate salary schedules for designated faculty -- those in Business, Engineering, and Computer Science -- are being merged with the schedules for other faculty during the current year.

The University of California

Upon assuming office, University of California President Richard Atkinson articulated his five highest priorities for the University. The first was to continue to attract and retain the highest qualified faculty and staff by remaining competitive with other leading institutions. He has since articulated particular concern about faculty salaries and the University adopted a plan to reach parity with its faculty salary comparison institutions by 1998-99. The University claims that the Governor's Budget for 1997-98, which includes funding for a five percent faculty salary increase (plus merit adjustments), is consistent with this plan. For 1996-97, the University is granting its faculty an overall increase of seven percent, including merit adjustments.

Display 6 on Page 14 shows the parity calculations for the 1997-98 academic year. It indicates that University faculty salaries will require an increase of 6.7 percent in 1997-98 to achieve parity with the anticipated mean of its comparison group. This parity figure is down substantially from the 10.3 percent parity figure calculated a year ago.

The simple average salary among University faculty increased by 5.4 percent between 1995-96 and 1996-97, while the average salary among the comparison institutions increase by only 2.6 percent. In fact, since 1993-94, the average faculty salary at the University has increase by 16.9 percent, while the average faculty salary at the comparison institutions has increased by 12.7 percent. Over this same period, the faculty salary parity figure has fallen from 12.6 percent to 6.7 percent.

DISPLAY 4 California State University Comparison Institution Salary Data, by Rank, 1991-92 and 1996-97

| Institution | Number | Professors | | Associate Professors | | Assistant Professors | | Instructors | | All | | | | | |
|---------------|--------|----------------|------|----------------------|----------|----------------------|-------|----------------|------|-------|-------------------------|------|--------|----------|------|
| | | Average Salary | Rank | Average Salary | Rank | Average Salary | Rank | Average Salary | Rank | Total | Weighted Average Salary | Rank | | | |
| 1991-92 | | | | | | | | | | | | | | | |
| Institution J | 106 | \$78,150 | (1) | 130 | \$59,097 | (1) | 78 | \$49,396 | (1) | 8 | \$34,350 | (5) | 322 | \$62,405 | (1) |
| Institution Q | 437 | 76,643 | (2) | 384 | 54,272 | (2) | 324 | 45,341 | (2) | 18 | 45,867 | (1) | 1,163 | 60,060 | (2) |
| Institution B | 500 | 67,856 | (6) | 297 | 52,427 | (3) | 244 | 42,498 | (4) | 14 | 42,215 | (2) | 1,055 | 57,307 | (3) |
| Institution N | 246 | 71,394 | (4) | 229 | 52,028 | (4) | 147 | 39,079 | (13) | 0 | — | — | 622 | 56,627 | (4) |
| Institution P | 101 | 69,840 | (5) | 114 | 50,778 | (5) | 73 | 41,256 | (5) | 0 | — | — | 288 | 55,049 | (5) |
| CSU | 7,463 | 60,752 | (13) | 2,374 | 48,611 | (8) | 2,110 | 39,853 | (8) | 208 | 32,562 | (8) | 12,175 | 54,281 | (6) |
| Institution R | 172 | 72,613 | (3) | 262 | 48,973 | (7) | 153 | 41,014 | (6) | 32 | 31,679 | (10) | 619 | 52,681 | (7) |
| Institution S | 296 | 62,811 | (11) | 257 | 49,471 | (6) | 214 | 42,558 | (3) | 3 | 35,202 | (4) | 770 | 52,622 | (8) |
| Institution K | 447 | 63,903 | (9) | 347 | 45,581 | (12) | 201 | 38,264 | (16) | 13 | 30,539 | (13) | 1,008 | 52,053 | (9) |
| Institution C | 87 | 63,078 | (10) | 71 | 46,374 | (11) | 78 | 40,117 | (7) | 2 | 31,000 | (12) | 238 | 50,300 | (10) |
| Institution M | 133 | 60,972 | (12) | 125 | 46,454 | (10) | 101 | 39,392 | (11) | 5 | 31,434 | (11) | 364 | 49,593 | (11) |
| Institution G | 153 | 64,486 | (8) | 232 | 47,604 | (9) | 170 | 38,832 | (15) | 15 | 39,886 | (3) | 570 | 49,316 | (12) |
| Institution A | 531 | 59,557 | (15) | 479 | 44,646 | (15) | 358 | 38,896 | (14) | 21 | 32,246 | (9) | 1,389 | 48,677 | (13) |
| Institution L | 48 | 58,514 | (17) | 21 | 43,846 | (17) | 43 | 36,713 | (20) | 1 | 32,820 | (6) | 113 | 47,265 | (14) |
| Institution T | 259 | 56,605 | (19) | 294 | 42,714 | (20) | 221 | 39,494 | (10) | 7 | 32,747 | (7) | 781 | 46,320 | (15) |
| Institution F | 238 | 60,061 | (14) | 248 | 43,461 | (18) | 209 | 36,910 | (19) | 34 | 26,620 | (17) | 729 | 46,217 | (16) |
| Institution D | 145 | 58,651 | (16) | 223 | 44,672 | (14) | 131 | 37,153 | (18) | 17 | 30,059 | (14) | 516 | 46,210 | (17) |
| Institution O | 181 | 56,500 | (20) | 239 | 42,734 | (19) | 125 | 37,467 | (17) | 0 | — | — | 545 | 46,098 | (18) |
| Institution I | 82 | 65,148 | (7) | 120 | 44,787 | (13) | 109 | 39,241 | (12) | 36 | 26,857 | (16) | 347 | 45,996 | (19) |
| Institution E | 99 | 57,448 | (18) | 110 | 44,146 | (16) | 112 | 39,820 | (9) | 26 | 29,950 | (15) | 347 | 45,481 | (20) |
| Institution H | 293 | 50,552 | (21) | 189 | 39,500 | (21) | 256 | 33,748 | (21) | 0 | — | — | 738 | 41,893 | (21) |
| Totals | 4,554 | \$60,129 | | 4,371 | \$44,590 | | 3,347 | \$38,118 | | 252 | \$32,246 | | 12,524 | \$48,262 | |
| 1996-97 | | | | | | | | | | | | | | | |
| Institution B | 507 | \$85,991 | (3) | 364 | \$63,431 | (2) | 186 | \$50,149 | (3) | 10 | \$41,111 | (4) | 1,067 | \$71,626 | (1) |
| Institution J | 127 | 91,866 | (1) | 114 | 68,572 | (1) | 99 | 54,523 | (1) | 18 | 41,868 | (2) | 358 | 71,608 | (2) |
| Institution Q | 468 | 86,594 | (2) | 358 | 61,387 | (3) | 248 | 52,644 | (2) | 35 | 44,862 | (1) | 1,109 | 69,548 | (3) |
| Institution P | 114 | 79,753 | (6) | 124 | 60,059 | (4) | 59 | 46,001 | (6) | — | — | — | 297 | 64,826 | (4) |
| Institution N | 277 | 74,544 | (11) | 200 | 54,446 | (12) | 83 | 44,166 | (13) | — | — | — | 560 | 62,864 | (5) |
| Institution K | 467 | 76,675 | (8) | 360 | 54,669 | (11) | 218 | 47,322 | (4) | 18 | 32,563 | (15) | 1,063 | 62,456 | (6) |
| Institution R | 236 | 82,518 | (4) | 266 | 56,515 | (6) | 125 | 44,346 | (12) | 58 | 36,925 | (7) | 685 | 61,594 | (7) |
| Institution M | 160 | 74,867 | (9) | 139 | 54,788 | (9) | 97 | 44,349 | (11) | 2 | 33,864 | (13) | 398 | 60,211 | (8) |
| Institution S | 268 | 74,007 | (12) | 269 | 56,776 | (5) | 201 | 46,082 | (5) | 15 | 41,718 | (3) | 753 | 59,754 | (9) |
| Institution G | 155 | 78,133 | (7) | 215 | 55,180 | (8) | 128 | 44,029 | (14) | — | — | — | 498 | 59,458 | (10) |
| CSU | 6,711 | 65,781 | (17) | 2,043 | 53,484 | (13) | 1,656 | 43,155 | (16) | 185 | 33,912 | (11) | 10,595 | 59,317 | (11) |
| Institution C | 83 | 74,736 | (10) | 97 | 55,637 | (7) | 79 | 45,538 | (7) | 2 | 39,500 | (5) | 261 | 58,530 | (12) |
| Institution F | 223 | 80,108 | (5) | 264 | 54,772 | (10) | 245 | 44,966 | (8) | 30 | 36,462 | (8) | 762 | 58,313 | (13) |
| Institution A | 604 | 68,852 | (14) | 445 | 51,491 | (15) | 244 | 43,140 | (17) | 60 | 28,212 | (18) | 1,353 | 56,703 | (14) |
| Institution T | 275 | 65,000 | (18) | 323 | 51,385 | (16) | 115 | 44,782 | (10) | 4 | 35,220 | (10) | 717 | 55,458 | (15) |
| Institution L | 53 | 63,691 | (20) | 30 | 48,190 | (20) | 24 | 40,163 | (21) | 1 | 38,270 | (6) | 108 | 53,921 | (16) |
| Institution O | 192 | 67,811 | (16) | 201 | 48,359 | (19) | 130 | 40,338 | (20) | 11 | 31,166 | (17) | 534 | 53,046 | (17) |
| Institution I | 107 | 69,415 | (13) | 136 | 49,862 | (18) | 96 | 43,669 | (15) | 23 | 33,886 | (12) | 362 | 52,984 | (18) |
| Institution D | 159 | 63,936 | (19) | 196 | 50,081 | (17) | 88 | 41,148 | (18) | 10 | 32,629 | (14) | 453 | 52,823 | (19) |
| Institution E | 105 | 68,137 | (15) | 118 | 51,668 | (14) | 114 | 44,872 | (9) | 45 | 36,054 | (9) | 382 | 52,327 | (20) |
| Institution H | 283 | 60,252 | (21) | 202 | 46,947 | (21) | 198 | 40,447 | (19) | 7 | 31,971 | (16) | 690 | 50,387 | (21) |
| Totals | 4,863 | \$75,357 | | 4,421 | \$55,054 | | 2,777 | \$45,609 | | 349 | \$35,804 | | 12,410 | \$60,355 | |

Source The California State University, Office of the Chancellor

DISPLAY 5 California State University Faculty Salary Schedules, 1996

| Academic Year Faculty | | | | | | | | 12- Month Faculty | | | | | | | | | |
|-----------------------|-----------|-----------|------|------------------------|-------------|-----------|----------|-------------------|---------------|-------------|-----------|------------------------|----------|---------------|----|----------|--------|
| Most Disciplines | | | | Designated Disciplines | | | | Most Disciplines | | | | Designated Disciplines | | | | | |
| Rank & Step | | | | Annual Salary | Rank & Step | | | | Annual Salary | Rank & Step | | | | Annual Salary | | | |
| Instructor | Assistant | Associate | Full | | Assistant | Associate | Full | Instructor | | Assistant | Associate | Full | | | | | |
| 1 | | | | \$30,996 | | | | | | | | | | | | | |
| 2 | | | | 31,692 | | | | | | | | | | | | | |
| 3 | | | | 32,364 | | | | | | | | | | | | | |
| 4 | | | | 33,120 | | | | | | | | | | | | | |
| 5 | | | | 33,876 | | | | | | | | | | | | | |
| 6 | | | | 34,656 | | | | | | | | | | | | | |
| 7 | | | | 35,448 | | | | | 1 | | | | \$35,448 | | | | |
| 8 | | | | 36,288 | | | | | 2 | | | | 36,288 | | | | |
| 9 | 1 | | | 37,140 | | | | | 3 | | | | 37,140 | | | | |
| 10 | 2 | | | 38,028 | | | | | 4 | | | | 38,028 | | | | |
| 11 | 3 | | | 38,692 | | | | | 5 | | | | 38,692 | | | | |
| 12 | 4 | | | 39,816 | | | | | 6 | | | | 39,816 | | | | |
| 13 | 5 | | | 40,752 | | | | | 7 | | | | 40,752 | | | | |
| 14 | 6 | | | 41,688 | 1 | | \$41,328 | | 8 | | | | 41,688 | | | | |
| | 7 | 1 | | 42,636 | 2 | | 42,300 | | 9 | 1 | | | 42,636 | | | | |
| | 8 | 2 | | 43,668 | 3 | | 43,260 | | 10 | 2 | | | 43,668 | | | | |
| | 9 | 3 | | 44,698 | 4 | | 44,292 | | 11 | 3 | | | 44,698 | | | | |
| | 10 | 4 | | 45,756 | 5 | | 45,312 | | 12 | 4 | | | 45,756 | | | | |
| | 11 | 5 | | 46,812 | 6 | | 46,380 | | 13 | 5 | | | 46,812 | | | | |
| | 12 | 6 | | 47,928 | 7 | 1 | 47,436 | | 14 | 6 | | | 47,928 | 1 | | \$47,436 | |
| | 13 | 7 | | 49,044 | 8 | 2 | 48,576 | | | 7 | 1 | | 49,044 | 2 | | 48,576 | |
| | 14 | 8 | | 50,232 | 9 | 3 | 49,716 | | | 8 | 2 | | 50,232 | 3 | | 49,716 | |
| | 15 | 9 | | 51,396 | 10 | 4 | 50,844 | | | 9 | 3 | | 51,396 | 4 | | 50,880 | |
| | 16 | 10 | | 52,644 | 11 | 5 | 51,972 | | | 10 | 4 | | 52,644 | 5 | | 52,032 | |
| | 17 | 11 | 1 | 53,880 | 12 | 6 | 53,220 | | | 11 | 5 | | 53,880 | 6 | | 53,268 | |
| | 18 | 12 | 2 | 55,164 | 13 | 7 | 54,468 | | | 12 | 6 | | 55,164 | 7 | 1 | 54,528 | |
| | 19 | 13 | 3 | 56,448 | 14 | 8 | 56,328 | | | 13 | 7 | | 56,448 | 8 | 2 | 55,812 | |
| | 20 | 14 | 4 | 57,816 | 15 | 9 | 58,188 | | | 14 | 8 | | 57,816 | 9 | 3 | 57,096 | |
| | 21 | 15 | 5 | 59,172 | 16 | 10 | 59,592 | | | 15 | 9 | | 59,172 | 10 | 4 | 58,452 | |
| | 22 | 16 | 6 | 60,612 | 17 | 11 | 60,884 | | | 16 | 10 | | 60,612 | 11 | 5 | 59,808 | |
| | 23 | 17 | 7 | 62,040 | 18 | 12 | 62,436 | | | 17 | 11 | 1 | 62,040 | 12 | 6 | 61,236 | |
| | 24 | 18 | 8 | 63,528 | 19 | 13 | 63,912 | | | 18 | 12 | 2 | 63,528 | 13 | 7 | 62,676 | |
| | 25 | 19 | 9 | 65,004 | 20 | 14 | 65,460 | | | 19 | 13 | 3 | 65,004 | 14 | 8 | 64,848 | |
| | 26 | 20 | 10 | 66,600 | 21 | 15 | 67,020 | | | 20 | 14 | 4 | 66,600 | 15 | 9 | 67,050 | |
| | 27 | 21 | 11 | 68,196 | 22 | 16 | 68,616 | | | 21 | 15 | 5 | 68,196 | 16 | 10 | 68,616 | |
| | 28 | 22 | 12 | 69,828 | | 17 | 9 | 70,224 | | 22 | 16 | 6 | 69,828 | 17 | 11 | 70,224 | |
| | | 23 | 13 | 71,472 | | 18 | 10 | 71,928 | | 23 | 17 | 7 | 71,472 | 18 | 12 | 71,928 | |
| | | 24 | 14 | 73,224 | | 19 | 11 | 73,692 | | 24 | 18 | 8 | 73,224 | 19 | 13 | 73,644 | |
| | | 25 | 15 | 74,940 | | 20 | 12 | 75,492 | | 25 | 19 | 9 | 74,940 | 20 | 14 | 75,420 | |
| | | 26 | 16 | 76,716 | | | 13 | 77,340 | | 26 | 20 | 10 | 76,716 | 21 | 15 | 77,184 | |
| | | | 17 | 78,540 | | | 14 | 79,224 | | 27 | 21 | 11 | 78,540 | 22 | 16 | 79,056 | |
| | | | 18 | 80,400 | | | | | | 28 | 22 | 12 | 80,400 | | 17 | 9 | 80,928 |
| | | | | | | | | | | | 23 | 13 | 82,296 | | 18 | 10 | 82,920 |
| | | | | | | | | | | | 24 | 14 | 84,252 | | 19 | 11 | 84,960 |
| | | | | | | | | | | | 25 | 15 | 86,244 | | 20 | 12 | 87,048 |
| | | | | | | | | | | | 26 | 16 | 88,296 | | | 13 | 89,184 |
| | | | | | | | | | | | 17 | | 90,396 | | | 14 | 91,368 |
| | | | | | | | | | | | 18 | | 92,544 | | | | |

* Designated Disciplines are Business, Engineering, and Computer Science

Source: The California State University, Office of the Chancellor

DISPLAY 6 University of California Comparison Group Average Salaries, 1991-92 and 1996-97; Compound Rates of Increase, Projected Comparison Group Average Salaries, 1997-98; and Projected Percentage UC Faculty Salary Increase Required to Attain Parity with the Comparison Group in 1997-98

| <u>Academic Rank</u> | <u>Comparison Group Average Salaries 1991-92*</u> | <u>Comparison Group Average Salaries 1996-97</u> | <u>Compound Rate of Increase</u> | <u>Comparison Group Projected Salaries, 1997-98</u> |
|----------------------|---|--|----------------------------------|---|
| Professor | \$77,166 | \$92,310 | 3 6% | \$95,679 |
| Associate Professor | \$52,401 | \$61,056 | 3 1% | \$62,952 |
| Assistant Professor | \$43,924 | \$51,075 | 3 1% | \$52,639 |

| <u>Academic Rank</u> | <u>University of California Actual Average Salaries, 1996-97</u> | <u>Comparison Group Average Salaries Actual 1996-97</u> | <u>Comparison Group Average Salaries Projected 1997-98</u> | <u>Percent Increase Required in University Average to Equal the Comparison Institution Average Actual 1996-97</u> | <u>Projected 1997-98</u> |
|---|--|---|--|---|--------------------------|
| Professor | \$87,868 | \$92,310 | \$95,679 | 5 1% | 8.9% |
| Associate Professor | \$58,700 | \$61,056 | \$62,952 | 4 0% | 7.2% |
| Assistant Professor | \$51,429 | \$51,075 | \$52,639 | -0 7% | 2.4% |
| Weighted by University of California Staffing | \$74,166 | \$77,192 | \$79,876 | 4 1% | 7.7% |
| Weighted by Comparison Institution Staffing | \$72,878 | \$75,767 | \$78,386 | 4 0% | 7.6% |
| All Ranks Average and Net Percentage Amount* | \$73,844 | \$76,123 | \$78,759 | 3 1% | 6.7% |

Institutional Budget-Year Staffing Pattern (Full-Time-Equivalent Faculty)

| <u>Institution</u> | <u>Professor</u> | <u>Associate Professor</u> | <u>Assistant Professor</u> | <u>Total</u> |
|--------------------------|------------------|----------------------------|----------------------------|--------------|
| University of California | 3,137 | 1,196 | 1,077 | 5,410 |
| Percent | 58% | 22% | 20% | |
| Comparison Institutions | 4,271 | 1,890 | 1,735 | 7,896 |
| Percent | 54% | 24% | 22% | |

*Weighted 50% public comparison institutions, 50% independent comparison institutions.

**All-Ranks Average derived by weighting University and Comparison Institutions by 75 percent of their own staffing pattern and 25% of the other's staffing pattern.

Display 7 on page 15 shows the average salaries by rank of the comparison institutions in 1991-92 and 1996-97 as well as the University's position in each of these two years. The faculty salary methodology is designed to place the University's faculty in the middle of the comparison group, and the University is, indeed, at the middle of the comparison group in two of three ranks as well as in average overall salary. This will mark the third consecutive year in which the University's overall average salary has been at the middle of the comparison group.

Display 8 on page 16 shows the University of California's salary schedule for the 1996-97 academic and fiscal years for regular faculty. The display also includes

DISPLAY 7 University of California and Comparison Institution Average Salaries and Ranking, 1991-92 and 1996-97

| | | <u>Professor</u> | | | <u>Associate Professor</u> | | | <u>Assistant Professor</u> | | | <u>Total</u> | | <u>Average</u> |
|---------------|--------------|------------------|---------------|-------------|----------------------------|---------------|-------------|----------------------------|---------------|-------------|---------------|---------------|----------------|
| | <u>Type*</u> | <u>Number</u> | <u>Salary</u> | <u>Rank</u> | <u>Number</u> | <u>Salary</u> | <u>Rank</u> | <u>Number</u> | <u>Salary</u> | <u>Rank</u> | <u>Number</u> | <u>Salary</u> | <u>Rank</u> |
| 1991-92 | | | | | | | | | | | | | |
| Institution A | I | 504 | \$85,679 | 2 | 139 | \$60,850 | 1 | 148 | \$47,703 | 2 | 791 | \$74,210 | 1 |
| Institution H | I | 549 | \$89,974 | 1 | 147 | \$50,751 | 6 | 211 | \$46,984 | 3 | 907 | \$73,616 | 2 |
| Institution F | I | 566 | \$84,527 | 3 | 195 | \$60,203 | 2 | 164 | \$49,440 | 1 | 925 | \$73,178 | 3 |
| Institution D | I | 355 | \$82,174 | 4 | 107 | \$51,001 | 5 | 190 | \$40,998 | 6 | 652 | \$65,059 | 4 |
| UC | P | 3,367 | \$75,810 | 5 | 1,097 | \$52,062 | 4 | 1,163 | \$43,622 | 5 | 5,627 | \$64,528 | 5 |
| Institution E | P | 720 | \$71,464 | 7 | 304 | \$53,220 | 3 | 405 | \$45,254 | 4 | 1,429 | \$60,155 | 6 |
| Institution C | P | 344 | \$72,389 | 6 | 258 | \$49,434 | 7 | 161 | \$39,993 | 8 | 763 | \$57,789 | 7 |
| Institution B | P | 411 | \$68,262 | 8 | 285 | \$47,224 | 8 | 191 | \$38,647 | 9 | 887 | \$55,137 | 8 |
| Institution G | P | 911 | \$64,586 | 9 | 522 | \$45,940 | 9 | 423 | \$40,451 | 7 | 1,856 | \$53,841 | 9 |
| Total | | 4,361 | \$76,339 | | 1,957 | \$50,837 | | 1,893 | \$43,387 | | 8,211 | \$62,663 | |
| 1994-95 | | | | | | | | | | | | | |
| Institution A | I | 482 | \$104,773 | 2 | 135 | \$71,817 | 1 | 135 | \$58,769 | 1 | 752 | \$90,598 | 1 |
| Institution H | I | 588 | \$108,392 | 1 | 120 | \$59,230 | 4 | 190 | \$54,929 | 3 | 898 | \$90,511 | 2 |
| Institution F | I | 543 | \$100,570 | 3 | 163 | \$68,466 | 2 | 162 | \$55,100 | 2 | 868 | \$86,055 | 3 |
| Institution D | I | 357 | \$99,913 | 4 | 105 | \$58,398 | 6 | 179 | \$50,728 | 5 | 641 | \$79,378 | 4 |
| UC | P | 3,137 | \$87,868 | 5 | 1,196 | \$58,700 | 5 | 1,077 | \$51,429 | 4 | 5,410 | \$74,166 | 5 |
| Institution E | P | 707 | \$85,052 | 6 | 352 | \$63,121 | 3 | 349 | \$49,869 | 6 | 1,408 | \$70,848 | 6 |
| Institution B | P | 426 | \$80,139 | 7 | 274 | \$55,548 | 7 | 191 | \$46,047 | 8 | 891 | \$65,279 | 7 |
| Institution G | P | 862 | \$78,013 | 9 | 506 | \$54,477 | 9 | 367 | \$48,101 | 7 | 1,735 | \$64,830 | 8 |
| Institution C | P | 305 | \$79,799 | 8 | 235 | \$54,504 | 8 | 163 | \$42,977 | 9 | 703 | \$62,804 | 9 |
| Total | | 4,271 | \$91,420 | | 1,890 | \$59,210 | | 1,735 | \$50,251 | | 7,896 | \$74,662 | |

* I = Independent, P = Public

Source: University of California, Office of the President.

salaries for Business, Management, and Engineering faculty, who earn between 9.7 and 31.6 percent higher salaries than other faculty at comparable ranks and steps

DISPLAY 8 *University of California Faculty Salary Schedules, 1996-97*

| Academic Year Faculty (Nine Months) | | | | | | | | Fiscal-Year Faculty (Eleven Months) | | | | |
|-------------------------------------|------|-------------------------------|--------------------------------|------------|--|------------|--------------------------|-------------------------------------|------------|--|------------|--------------------------|
| Rank | Step | Normal Period at Salary | Faculty in Most Disciplines | | Faculty in Business and Engineering | | Percentage Difference | Faculty in Most Disciplines | | Faculty in Business and Engineering | | Percentage Difference |
| | | | Annual | Monthly | Annual | Monthly | | Annual | Monthly | Annual | Monthly | |
| Instructor | | | \$34,100 | \$2,841 67 | — | — | — | \$39,700 | \$3,308.33 | — | — | — |
| Assistant | I | 2 | \$39,600 | 3,300 00 | \$52,100 | \$4,341 67 | 31 6% | \$46,000 | \$3,833 33 | \$60,500 | \$5,041 67 | 31 5% |
| Professor | II | 2 | 41,900 | 3,491 67 | 54,800 | 4,566 67 | 30 8% | 48,500 | 4,041 67 | 63,600 | 5,300 00 | 31 1% |
| | III | 2 | 43,900 | 3,658 33 | 57,600 | 4,800 00 | 31 2% | 50,900 | 4,241 67 | 66,900 | 5,575 00 | 31 4% |
| | IV | 2 | 46,200 | 3,850 00 | 60,500 | 5,041 67 | 31 0% | 53,600 | 4,466 67 | 70,000 | 5,833 33 | 30 6% |
| | V | 2 | 48,600 | 4,050 00 | 63,500 | 5,291 67 | 31 5% | 56,400 | 4,700 00 | 73,600 | 6,133.33 | 30 5% |
| | VI | 2 | 51,500 | 4,291 67 | 66,100 | 5,508.33 | 28 3% | 59,800 | 4,983 33 | 76,700 | 6,391 67 | 28 3% |
| Associate | I | 2 | \$48,700 | \$4,058.33 | \$63,600 | \$5,300 00 | 30 6% | \$56,500 | \$4,708.33 | \$73,700 | \$6,141 67 | 30 4% |
| Professor | II | 2 | 51,600 | 4,300 00 | 66,200 | 5,516 67 | 28 3% | 59,900 | 4,991 67 | 76,800 | 6,400 00 | 28 2% |
| | III | 2 | 54,300 | 4,525 00 | 68,900 | 5,741 67 | 26 9% | 62,900 | 5,241 67 | 79,900 | 6,658.33 | 27 0% |
| | IV | 3 | 57,500 | 4,791 67 | 71,000 | 5,916 67 | 23 5% | 66,800 | 5,566 67 | 82,300 | 6,858.33 | 23 2% |
| | V | 3 | 61,500 | 5,125 00 | 73,200 | 6,100 00 | 19 0% | 71,400 | 5,950 00 | 85,000 | 7,083.33 | 19 0% |
| | I | 3 | \$57,600 | \$4,800 00 | \$71,100 | \$5,925 00 | 23 4% | \$66,900 | \$5,575 00 | \$82,400 | \$6,866 67 | 23 2% |
| Professor | II | 3 | 61,600 | 5,133.33 | 73,300 | 6,108 33 | 19 0% | 71,500 | 5,958.33 | 85,100 | 7,091 67 | 19 0% |
| | III | 3 | 67,100 | 5,591 67 | 77,800 | 6,483 33 | 15 9% | 77,800 | 6,483 33 | 90,200 | 7,516 67 | 15 9% |
| | IV | 3 | 73,300 | 6,108.33 | 83,500 | 6,958 33 | 13 9% | 85,000 | 7,083 33 | 96,800 | 8,066 67 | 13 9% |
| | V | — | 79,900 | 6,658.33 | 89,900 | 7,491 67 | 12 5% | 92,700 | 7,725 00 | 104,300 | 8,691 67 | 12 5% |
| | VI | — | 86,700 | 7,225 00 | 96,700 | 8,058 33 | 11 5% | 100,600 | 8,383 33 | 112,100 | 9,341 67 | 11 4% |
| | VII | — | 93,700 | 4,808.33 | 103,700 | 8,641 67 | 10 7% | 108,600 | 9,050 00 | 120,200 | 10,016 67 | 10 7% |
| | VIII | — | 101,100 | 8,425 00 | 111,600 | 9,300 00 | 10 4% | 117,300 | 9,775 00 | 128,700 | 10,725 00 | 9 7% |

Note Salaries effective October 1, 1996

Source University of California, Office of the President.

Appendix A Changes in the Content and Methodology of the Reports Since the 1970s

THE DESIRE on the part of California officials for accurate and timely faculty salary data in higher education is at least as old as the Master Plan Survey Team, which recommended in 1960 the creation of a coordinating agency that would, among other duties, collect pertinent data on faculty supply and demand. For the next several years, following creation of the Coordinating Council for Higher Education, the Legislature sought information regarding faculty compensation and other issues relating to the State Budget. While the Council did its best to provide the requested data, the Legislature -- and especially the Assembly -- deemed the Council's reports to be insufficient. Consequently, the Assembly requested the Legislative Analyst to prepare a specific report on the subject (House Resolution No. 250, 1964 First Extraordinary Session, reproduced in Appendix C, pp. 31-32).

Early in the 1965 General Session, the Legislative Analyst presented his report and recommended that the process of developing data for use by the Legislature and the Governor in determining faculty compensation be formalized. This recommendation was embodied in Senate Concurrent Resolution No. 51 (1965) in Appendix C, which specifically directed the Coordinating Council to prepare annual reports in cooperation with the University of California and the then California State Colleges.

Since that time, the Coordinating Council, and more recently the Commission, have submitted reports to the Governor and the Legislature. Prior to the 1973-74 budgetary cycle, the Coordinating Council submitted only one report annually, usually in March or April. Between 1974-75 and 1985-86, the Commission compiled two reports -- a preliminary report transmitted in December, and a final report in April or May. The first was intended principally to assist the Department of Finance in developing cost-of-living adjustments presented in the Governor's Budget, while the second was used by the Legislative Analyst and the legislative fiscal committees during budget hearings. Each report compared faculty salaries and the cost of fringe benefits in California's public universities with those of other institutions (both within and outside of California) for the purpose of maintaining a competitive position.

As they evolved over a period of years, the Commission's salary reports were tailored to meet the information needs of the times. While always providing parity figures based on analyses of comparison institutional data, they were occasionally expanded to include summaries of economic conditions, comparisons with other professional workers, discussions of supplemental income and business and indus-

trial competition for talent, analyses of collective bargaining; and data on community college faculty salaries, medical faculty salaries, and administrators' and executive salaries. The last three of these additions to the annual reports were all requested by the Office of the Legislative Analyst: community college and medical faculty salaries in 1979, and administrators' salaries at the University of California and California State University in 1982. However in 1990, the Legislative Analyst determined that the study of medical faculty salaries was no longer necessary; medical faculty salary data have not been reported since that year.

Much of the supplemental economic and compensation data provided throughout the 1970s and into the early 1980s were developed because of the unique inflationary pressures -- resulting primarily from the OPEC oil shocks -- present at that time. Much of the evidence presented later in this part of the report indicates clearly that higher education faculty nationally were suffering through a significant erosion in purchasing power. Since faculty salaries in California are based primarily on interinstitutional comparisons, faculty at the University of California and the California State University inevitably experienced an economic erosion comparable to that endured by university faculty nationally. That erosion made it increasingly difficult to recruit the most talented teachers and researchers, especially in competition with the substantially higher salaries generally available in business and industry. The evidence presented by the Commission in those reports prompted several Legislative decisions, among them the creation of enriched salary schedules for faculty in business and engineering in both of the university systems; the adoption of a "margin of excellence" or "competitive edge," a percentage enhancement over the comparison institutional parity figure for University of California faculty, and improvements in the comparison institution list for the California State University.

To discuss changes in the faculty salary methodology, the Commission has periodically convened an advisory committee consisting of representatives from the University of California, the California State University, the Department of Finance, the Office of the Legislative Analyst, and other interested parties (e.g. union representatives, industry consultants) to review the methodology under which the salary reports are prepared each year. In general, community college representatives have not attended, since salaries in that system are determined locally. In 1984, the committee's deliberations led to a number of substantive revisions that were approved by the Commission the following year (1985). Among the more significant of those changes were those to create a new list of comparison institutions for the State University, produce only a single report rather than a preliminary and a final report, and provide University of California medical faculty salary information biennially rather than annually.

In 1987, due primarily to issues of confidentiality and technical difficulties in collecting data in a timely fashion, the advisory committee met to consider changes in the methodology. The committee suggested several revisions to the methodology at that meeting to address those issues. The Commission acted on those recommendations at its June 1987 meeting (1987).

At that time, the University of California agreed to continue to use the eight comparison institutions it had used for the past 16 years. After further analyzing salary trends at these eight institutions later in the summer, however, the University determined that the economic situation, especially in the midwest, had adversely affected at least one of its comparison institutions (the University of Wisconsin, Madison), and quite probably another (Cornell), causing only marginal increases in its faculty salaries in contrast to increases elsewhere. This erosion had been evident for some years, but since the Legislature had agreed to grant University faculty the "margin of excellence" noted above -- an amount between 3 and 3.5 percent above the parity figure -- the comparison institution issue did not seem too serious. Clearly, however, this was not an altogether satisfactory solution to the problem of inadequate salaries, if for no other reason than the fact that it produced a somewhat cluttered methodology. There was also no guarantee that the Legislature would continue to grant the additional percentage amount.

As a result of these considerations, the University requested the Commission to approve the substitution of the University of Virginia for the University of Wisconsin and the Massachusetts Institute of Technology for Cornell University "in the best interest of the University and the State." As part of this proposal, it agreed to abandon requests in 1988-89 and subsequent fiscal years for any funds beyond the parity figure and noted that the traditional methodology of projected lag to parity would be sufficient, given the new comparison group. The Commission approved this change in the University's comparison institution group at its February 1988 meeting.

The Commission again considered changes in its methodology when it responded to Supplemental Budget Language to the 1988-89 Budget Act that directed it to convene its salary methodology advisory committee in order to evaluate whether the estimated average salaries at the State University's comparison institutions should be adjusted for the full effect, rather than the existing partial effect, of law school faculty among its comparison institution group. The Commission was also directed to determine the appropriateness of retaining any effect of law school faculty employed by comparison institutions when computing a final State University faculty salary parity figure, and to provide a justification for it.

In June 1989, the Commission adopted the recommendation of its advisory committee that, for purposes of reporting comparable "academic" salary information for both the State University and its comparison institutions, all law faculty should be removed from the methodology used for computing the State University's parity figure during the 1991-92 budget cycle -- the year in which the collective bargaining agreement between the faculty and the administration expired. This year's report continues to reflect the exclusion of comparison institutions' law faculty.

In removing comparison institutions' law faculty, however, it was clear that the State University's competitiveness in the marketplace would be undermined in that its instructional budget in the 1989-90 budget year would be reduced by approximately \$7.5 million because of a reduction in the calculation of its parity

figure. Recognizing the dangers implicit in this reduction -- especially its impact on the recruitment and retention of faculty -- the Commission considered a modest change in the State University's group of comparison institutions in order to recover approximately one-half of the estimated revenue loss attributed to the removal of the comparison institutions' law faculty. In September 1989, the Commission called for deleting three existing comparison institutions -- Virginia Polytechnic Institute, the University of Bridgeport, and Mankato State University -- and replacing them with three new institutions -- the University of Connecticut, George Mason University, and Illinois State University. This year's report continues to reflect that change in the comparison institution list.

The next revisions to the faculty salary methodology came pursuant to a recommendation by the Legislative Analyst in 1992. Until that time, the average salary by rank at the State University's comparison institutions had been weighted by faculty size, while the average salary by rank at the University of California's comparison institutions had not been weighted. The Analyst suggested that the use of weighting for the University's methodology would more accurately reflect the faculty compensation market. Noting that weighting would give the larger comparison institutions -- the lower-paying public institutions -- a stronger influence over the parity figure, the University argued that it competed equally with independent and public institutions for faculty. Ultimately, the other members of the Commission's advisory committee agreed with the Analyst, and the University's comparison institution faculty salaries were then weighted.

Changes to the faculty salary methodology for 1996-97 are described in the main section of this report.

Appendix B

High and Low Cost Area Adjustment in The State University Methodology

For 1996-97, the State University's faculty salary methodology for the first time accounts for differences in the cost of living among the locations of the State University's campuses and the locations of the comparison institutions. According to the 1994-95 Geographic Salary Differentials Report prepared annually by the William M. Mercer Company, the following comparison institutions and CSU campuses are located in lower-cost areas

California State University

Institutions in areas with average pay rates no more than four percent above national average

CSU Bakersfield
CSU Chico
CSU Fresno
CSU Humboldt
CSU Sacramento
CSU San Diego
Cal Poly San Luis Obispo
CSU San Marcos
CSU Stanislaus

Comparison Institutions

Institutions in areas with average pay rates no more than four percent above national average

Arizona State University
Bucknell University
Cleveland State University
Georgia State University
Illinois State University
North Carolina State University
Reed College
SUNY Albany
University of Texas, Arlington
University of Wisconsin, Milwaukee

The ten comparison institutions in the lower cost areas account for 54 percent of the total faculty at the 20 comparison institutions. However, only 42 percent of State University faculty reside in lower-cost areas. Thus, in the calculation of the average salary at the comparison institutions, the salaries of the ten comparison institutions listed above have been weighted as 42 percent of the total to bring them in line with the data from the State University.

Appendix C Senate Concurrent Resolution No. 51, 1965
General Session

**Senate Concurrent Resolution No. 51, 1965 General Session,
Relative to Academic Salaries and Welfare Benefits**

WHEREAS, The Joint Legislative Budget Committee pursuant to House Resolution No. 250, 1964 First Extraordinary Session, has had prepared and has adopted a report of the Legislative Analyst containing findings and recommendations as to salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education; and

WHEREAS, The study of the Joint Legislative Budget Committee found that the reporting of salaries and fringe benefits as it has been made previously to the Legislature has been fragmentary and has lacked necessary consistency, with the result that the Legislature's consideration of the salary requests of the institutions of higher learning has been made unnecessarily difficult; and

WHEREAS, The report recommends that the Legislature and the Governor should receive each December 1 a report from the Coordinating Council for Higher Education, plus such supplementary information as the University of California and the California State Colleges desire to furnish independently, containing comprehensive and consistently reported information as outlined specifically in the report adopted by the Joint Legislative Budget Committee, and

WHEREAS, The reporting recommended by the committee would include essential data on the size and composition of the faculty, the establishment of comprehensive bases for comparing and evaluating faculty salaries, the nature and cost of existing and desired fringe benefits, the nature and extent of total compensation to the faculty, special privileges and benefits, and a description and measurement of supplementary income, all of which affect the welfare of the faculties and involve implications to the state now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Coordinating Council for Higher Education in cooperation with the University of California and the California State Colleges shall submit annually to the Governor and the Legislature not later than December 1 a faculty salary and welfare benefits report containing the basic information recommended in the report of the Joint Legislative Budget Committee as filed with the President of the Senate and the Speaker of the Assembly, under date of March 22, 1965.

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature

Members of the Commission

The Commission consists of 17 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. Six others represent the major segments of postsecondary education in California. Two student members are appointed by the Governor.

As of April 1997, the Commissioners representing the general public are

Jeff Marston, San Diego, *Chair*
Guillermo Rodriguez, Jr., San Francisco,
Vice Chair
Mim Andelson, Los Angeles
Henry Der, San Francisco
Lance Izumi, San Francisco
Kyo "Paul" Jhin, Malibu
Bernard Lusk, Encino
Melinda G. Wilson, Torrance
Vacant

Representatives of the segments are.

Kyhl Smeby, Pasadena, appointed by the Governor to represent the Association of Independent California Colleges and Universities,

Joe Dolph, San Diego; appointed by the Board of Governors of the California Community Colleges,

Gerti Thomas, Albany, appointed by the California State Board of Education,

William D. Campbell, Newport Beach, appointed by the Trustees of the California State University,

Frank R. Martinez, San Luis Obispo, appointed by the Council for Private Postsecondary and Vocational Education, and

David S. Lee, Santa Clara, appointed by the Regents of the University of California

The two student representatives are
Stephen R. McShane, San Luis Obispo
John E. Stratman, Jr., Orange

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including community colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory body to the Legislature and Governor, the Commission does not govern or administer any institutions, nor does it approve, authorize, or accredit any of them. Instead, it performs its specific duties of planning, evaluation, and coordination by cooperating with other State agencies and non-governmental groups that perform those other governing, administrative, and assessment functions.

Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, its meetings are open to the public. Requests to speak at a meeting may be made by writing the Commission in advance or by submitting a request before the start of the meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of Executive Director Warren Halsey Fox, Ph.D., who is appointed by the Commission.

Further information about the Commission and its publications may be obtained from the Commission offices at 1303 J Street, Suite 500, Sacramento, California 95814-2938, telephone (916) 445-7933.

FACULTY SALARIES AT CALIFORNIA'S PUBLIC UNIVERSITIES, 1997-98

Commission Report 97-2



ONE of a series of reports published by the California Postsecondary Education Commission as part of its planning and coordinating responsibilities. Single copies may be obtained without charge from the Commission at 1303 J Street, Suite 500, Sacramento, California 95814-2938. Recent reports include

1996

- 96-2 *Performance Indicators of California Higher Education, 1995: The Second Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991)* (February 1996)
- 96-3 *Changes in College Participation: Promise or Peril? — Adding the Interstate Dimension: A Report by the California Postsecondary Education Commission Executive Director Warren H. Fox* (February 1996)
- 96-4 *Progress Report on the Community College Transfer Function. A Report to the Governor and Legislature in Response to Senate Bill 121 (Chapter 1188, Statutes of 1991)* (June 1996)
- 96-5 *Faculty Salaries at California's Public Universities: A Report to the Governor and Legislature in Response to Senate Concurrent Resolution No. 51 (1965)* (June 1996)
- 96-6 *Moving Forward: A Preliminary Discussion of Technology and Transformation in California Higher Education* (June 1996)
- 96-7 *Fiscal Profiles, 1996: The Sixth in a Series of Factbooks About the Financing of California Higher Education* (September 1996)
- 96-8 *Student Profiles, 1996: The Latest in a Series of Annual Factbooks About Student Participation in California Higher Education* (October 1996)
- 96-9 *Project ASSIST (Articulation System Stimulating Interinstitutional Student Transfer): Staff Comments on the Final Evaluation Report Prepared by the Carrera Consulting Group* (December 1996)
- 96-10 *Performance Indicators of California Higher Education, 1996: The Third Annual Report to California's Governor, Legislature, and Citizens in Response to Assembly Bill 1808 (Chapter 741, Statutes of 1991)* (December 1996)
- 96-11 *Progress Report on the Effectiveness of Collaborative Student Academic Development Programs: A Report of the California Postsecondary Education Commission* (December 1996)

1997

- 97-1 *Coming of [Information] Age in California Higher Education. A Survey of Technology Initiatives and Policy Issues* (February 1997)
- 97-2 *Faculty Salaries at California's Public Universities, 1997-98: A Report to the Governor and Legislature in Response to Senate Concurrent Resolution No. 51 (1965)* (April 1997)